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LS 6-1476

16 July 1956

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT: Proposed Regulation []
Representation Allowances

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1. Attached is the revised draft of subject Regulation. You will remember that you had reviewed this and there only remained one change to be made. That change related to permitting representation allowances while in travel status to be provided for through means other than Letters of Authorization. The Regulation as it now stands simply provides that Deputy Directors are authorized to grant representation allowances but with respect to allowances to persons permanently assigned abroad such allowances will be processed and accounted for in Letters of Authorization which would be authorized by the Deputy Director (Support). Thus, through failure to prescribe the procedure on travel status allowances, the Deputy Director could grant the allowance either by memorandum or by properly approved travel orders.

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2. I have reviewed the attached with [] who has concurred in the exact wording. It is our joint suggestion that the draft as now written be handcarried back to Mr. Hulick with an explanation of what has occurred and it is our judgment that probably the Deputy Director (Plans) would approve the current draft.

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3. In Regulation [] paragraph 3. b. (1) and in [] paragraph 4. b. (2), there are references to prohibitions against reimbursement for expenses of entertaining officials or employees of the Government exclusively. The wording in both instances is somewhat ambiguous and in the past reimbursement of the intended

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prohibited items have been allowed because of the ambiguity. Paragraph 6.3.a. of the CFR's also utilizes substantially similar language although it is my opinion that it is much clearer. It is suggested, therefore, that that particular part of 6.3. be adapted for operational expenditures and be incorporated in [] and [] as follows:

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"Expenses incurred in the exclusive entertainment of U. S. officials may not be reimbursed. However, where the presence of such officials is incidental to the proper entertainment of foreign officials, the entire expense may be reimbursed. Expenses which are primarily personal and from which the employee derives the major benefit may not be classified as official expenditures even though the Government may derive some incidental benefit therefrom."

There is no urgency on this latter suggestions since this is the current practice. However, it is believed that it will clarify the matter and assist administrative officials in dealing with the problem on a day-to-day basis.

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[]
(Acting General Counsel

Attachment

cc: SSA-DD/S
Chief, Finance Division